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असाधारण

EXTRAORDINARY

भाग II—खण्ड 3—उपखण्ड (ii)

PART II—Section 3—Sub-section (ii)

प्राधिकार से प्रकाशित

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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed
as a separate compilation

MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS

Department of Company Affairs

(Company Law Board)

ORDER

New Delhi the 18th March 1977

SO 241(E).—Whereas, Messrs Kerala State Small Industries Corporation Limited, Trivandrum, incorporated on the 21st July, 1961, is a Government company as defined under section 617 of the Companies Act, 1956 (1 of 1956), the Shares of which are wholly owned by the State Government of Kerala and is presently carrying on business in running a few industrial units at different industrial estates in the State of Kerala and processing and providing scarce raw materials to small scale industries and selling on hire-purchase various items of plant and machinery required for the setting up and development of small scale industries in the said state;

AND WHEREAS Messrs. Kerala Employment Promotion Corporation Limited, Trivandrum, incorporated on the 28th January, 1974 also a Government company, wholly owned by the State Government of Kerala, is presently engaged in the setting up and locating entrepreneurial talent, and assisting in the promotion of industries with accent on creating more job opportunities and helping the vast educated unemployed in the State to find job openings,

AND WHEREAS the Kerala State Small Industries Development and Employment Corporation Limited, Trivandrum, incorporated on the 6th November, 1975, also a wholly owned Government company, in which shares are wholly owned and held by the State Government of Kerala, and has been set up with a view to effect a complete reorganisation and overhauling of the existing set-up for small scale Industries development and building up the necessary infra structure and all essential services needed for planned and speedy growth of small-scale industries;

AND WHEREAS the Government of Kerala has entrusted the Kerala State Small Industries Development and Employment Corporation Limited, with a massive programme of setting up, promoting and assisting in the setting up of 10,000 small scale industries in the State within a period of five years and to achieve the said objective, Government of Kerala has vide G.O.M.S. No. 249/75-ID dated the 1st October 1975 ordered amalgamation of the Kerala State Small Industries Corporation Limited and Kerala Employment promotion Corporation Limited, with the Kerala State Small Industries Development and Employment Corporation Limited;

AND WHEREAS the Government of Kerala by their letter No. 28127/D4/15/ID, dated the 24th October, 1975, applied to the Company Law Board for making an order in terms of section 396 of the Companies Act, 1956 (1 of 1956), which application was examined and a draft of the Order proposed to be issued under that section, was sent in draft to each of the three companies who are parties to the proposed amalgamation and was given sufficient opportunity to forward their suggestions and objections, and whereas the Company Law Board is satisfied that it is in the public interest that all the three government companies engaged in the development of small scale industries and also employment promotion should be amalgamated into a single company,

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (2) of section 396 of the Companies Act, 1956 (1 of 1956) read with the notification of Government of India in the Department of Company Affairs No. GSR 443(E) dated the 18th October, 1972 the Company Law Board hereby makes the following order namely —

1 **Short title**—This Order may be called the Kerala Small Industries and Development Promotion Corporation Amalgamation order 1977

2 **Definitions**—In this Order, unless the context otherwise requires

- (a) 'Appointed day' means the day on which the order is notified in the Official Gazette;
- (b) 'Transferor companies' means the Kerala State Small Industries Corporation Limited, and the Kerala Employment Promotion Corporation Limited,
- (c) 'Transferee company' means the Kerala State Small Industries Development and Employment Corporation Limited

3 **Amalgamation of the Companies**.—As from the appointed day, the entire undertaking of the transferor companies subject to encumbrances thereon, if any, shall stand transferred to and vest in the transferee company

Explanation—The undertakings of the transferor companies shall include all rights, powers, authorities and privileges and all property movable and immovable, including cash balances, reserves revenue, revenue balances, investment and all other interest and rights in or arising out of such property as may belong to, or be in the possession of, the transferor companies immediately before the appointed day and all books, accounts and documents, relating thereto, and also debts, liabilities and obligations of whatever kind then existing of the transferor companies

4 Transfer of certain items of property.—For the purposes of this order all the profits or losses, if any, or both, of the transferor companies as on the appointed day and the revenue reserves or deficits, if any, or both, of the transferor companies when transferred to the transferee company under the scheme of amalgamation and under the provisions of this order, shall respectively form part of the profits, or losses, if any, or both, and the revenue, reserves or deficits as the case may be, of the transferee company resulting from the amalgamation.

5. Savings of contracts etc—Subject to the other provisions contained in this Order, all contracts, deeds, bonds, agreements and other instruments of whatever nature to which the transferor companies are parties and subsisting or having effect immediately before the appointed day shall be of full force and effect against or in favour of the transferee company, as the case may be, and may be enforced as fully and effectually as if, instead of the transferor companies the transferee company has been a party thereto.

6. Saving of legal proceedings.—If on the appointed day, any suit, appeal or other legal proceedings of whatever nature by or against the transferor companies be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer to transferee company, or of anything contained in this Order, but the suit, appeal or other proceedings may be continued and enforced by or against the transferee company in the same manner and to the same extent as it would or may be continued prosecuted and enforced by or against the transferor companies if this Order had not been made.

7 Terms of transfer as respect shareholders in the Transferor companies—

(i) In consideration of the transfer aforesaid under clauses 3 and 4 as soon as may be, after the appointed day, the Transferee company shall allot to every person registered as a shareholder in the Transferor companies immediately before the appointed day as many share in the Transferee company as are equivalent in face value if the shares held by him in the Transferor companies immediately, before the appointed day

(ii) The Transferee company shall send by post to every person whose name is entered immediately before the appointed day in the Register of Shareholders in the Transferor companies a notice, giving particulars as to the allotment of new shares to him and an allotment letter for the new shares

(iii) Every shareholder in the transferor companies whose name appears in the Register of Members in the Transferor companies immediately before the appointed day, shall be entitled on presentation within two months from the day of receipt of the notice referred to in sub-clause (ii) the allotment letter and the share certificates in respect of the shares held by him in the Transferor companies to receive in due course shares-certificates from the Transferee company in respect of the shares allotted to him

(iv) Any right specified in sub-clause (iii) shall during the period beginning with the appointed day, and ending with the day immediately receding the day on which the Transferee company issues fresh share certificates to the shareholders of the Transferor companies be transferable in like manner as the shares in the Transferee company are transferable, and the transferee of such

right shall be entitled on presentation within thirty days from the date of transfer of the letter of allotment, the relative share certificates in the Transferor companies and the documents of transfer, to receive share certificates from the Transferee company in the same manner and to the same extent, as transferee would have been entitled.

8. Provisions with respect to taxation.—All taxes in respect of the profits and gains of the business carried on by the Transferor companies before the appointed day shall be payable by the Transferee company to the same extent as they would have been payable by the Transferor companies if this Order had not been made.

9 Provisions respecting existing officers and other employees of the Transferor Companies.—Every officer or other employee (including within that expression the auditors but excluding therefrom the directors of the Transferor companies), employed immediately before the appointed day in the Transferor companies shall, as from the appointed day, become an officer or other employee, as the case may be, of the Transferee company, and shall hold his office or service therein by the same tenure and upon the same terms and conditions and with the same rights and privileges as he would have held the same under the Transferor companies if this Order had not been made and shall continue to do so unless and until he is duly removed from his employment in the Transferee company or until the conditions of employment are duly altered by mutual consent or in accordance with the prescribed procedure in this behalf.

10 Position of Directors.—Every director of the Transferor companies holding office as such immediately before the appointed day shall cease to be a director of the said companies on the appointed day

11. Dissolution of the Kerala State Small Industries Corporation Limited, and Kerala Employment Promotion Corporation Limited.—(a) Subject to the other provisions of this order as from the appointed day, the Kerala State Small Industries Corporation Limited and the Kerala Employment Promotion Corporation Limited shall be dissolved and no person shall make, assert or take any claims, demands or proceedings against the dissolved companies or against any director or any officer thereof in his capacity as such director or officer, except in so far as may be necessary for enforcing the provisions of this order; and

(b) The right of every shareholder to or in respect of any share in the dissolved companies shall be extinguished and thereafter no such shareholder shall make, assert or take any claims or demands or proceedings in respect of any such share

12 Registration of the Order by the Registrar of Companies.—The Company Law Board shall, as soon as may be after the issue of this order send to the Registrar of Companies, Kerala a copy of this Order together with the printed copy of the Memorandum of Association of Messrs Kerala State Small Industries Development and Employment Corporation Limited;

On receipt of which the Registrar of Companies, Kerala, shall:—

- (i) register the Order on payment of the prescribed fee by the Transferee company and certify under his hand the registration thereof within one month from the date of receipt of a copy of the Order, and
- (ii) make necessary alterations if any, in the Memorandum of Association of the Transferee company

[No 24/28/75-CL III]

New Delhi,

P. B MENON,

Dated 15th March, 1977

Member, Company Law Board

महा प्रबन्धक भारत सरकार मन्त्रालय मन्त्रि रॉड नई दिल्ली द्वारा
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